ABENGOA

Innovative technology solutions for sustainability

Abengoa: a year of continued growth, deleverage and diversification

- Abengoa reports 2011 revenues of €7,089 million, EBITDA of €1,103 million and Net Income of €257 million, an increase of 46%, 36% and 24%, respectively
- Net corporate leverage reduced to 2.1x, from 3.8x at December 2010
- Proposed dividend payout of 15%, an increase of 75% from 2010

February 27th, 2012. Abengoa, the international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, recorded revenues of €7,089 million in 2011, an increase of 46% compared to the previous year. EBITDA increased by 36% to €1,103 million, while net income increased by 24% to €257 million. Bookings for the period in the E&C division amounted to €4,343 million, growing backlog to €7,535 million as of December 31, 2011.

The Company generated cash from operating activities of € 1,353 million during the period, while also reducing its net corporate leverage from 3.8x at the end of 2010 to 2.1x at December 2011, and total leverage from 5.5x to 5.0x for the same periods.

Abengoa's dedicated and ongoing commitment to geographic diversification in new markets continues to be one of the key factors behind its continued growth. The company's international businesses recorded revenues of €5,175 million and accounted for 73% of the total revenues, with a strong presence in the Americas, which accounted for 51% of revenues, in particular Brazil and the U.S., with 21% and 19%, respectively.

Based on these excellent results, the Board of Directors has proposed a dividend of € 0.35 per share, implying a pay-out ratio of 15%, which represents an increase of 75% from the previous year.

Financial Targets

Abengoa has provided financial targets for 2012, with revenues expected to range between €7,550 to €7,750 million, and EBITDA from €1,275 to €1,325 million, the midpoints of which represent an increase of 8% and 18% from 2011, respectively. Corporate EBITDA is expected to range between € 780 to € 800 million.

In addition, the Company has indicated net corporate leverage should remain in the range of 3x in 2012, while it continues to target an alignment of corporate

EBITDA to capex by 2013. Finally, the Company has indicated the dividend payout going forward is expected to remain above the currently proposed 15%.

Manuel Sánchez Ortega, CEO of Abengoa, stated, "I am very pleased to be able to present Abengoa´s impressive 2011 results, especially in light of the ongoing global economic headwinds. Once again we have demonstrated the growth potential of all our business lines, the superior execution of our E&C division, and the excellent performance of both our industrial businesses and our concession assets".

Mr. Sanchez Ortega went on to say that, "The strength of Abengoa also comes from our focus on research and innovation projects and from the dedication and commitment of our people. We will continue to focus on growth, deleveraging and diversification in the future to generate the maximum value for our shareholders".

Corporate Transactions

The year 2011 was a clear example of the company's delivery on its commitment to crystallize value while securing returns and growth options for the future. The Company sold its remaining 40% interest in Telvent to Schneider Electric for €391 million, and signed a strategic alliance agreement with CEMIG in Brasil under which it has sold 50% of various transmission lines for total cash proceeds of €479 million, while maintaining options to create and develop new growth opportunities together with CEMIG.

In 2011, Abengoa also signed an agreement with First Reserve Corporation ("FRC"), one of the largest private investment funds in the energy industry, under which FRC invested €300 million in new low-voting B shares. This alliance represents a major strategic and financial endorsement of Abengoa's strategy, among other aspects.

The three transactions accounted for a combined cash inflow of €1,170 million and a reduction in total net debt of €1,667 million.

Segment Results

The Engineering and Construction (E&C) segment revenues grew strongly by 53% to €3,526 million. EBITDA also increased significantly by 69% to €438 million, with a margin of 12.4% compared to 11.3% in the previous year. The E&C division has won new contracts worth €4,343 million during the year, leaving backlog at €7,535 million as of December 31, 2011. In addition, E&C has estimated its pipeline of potential business opportunities at €72,537 million for the year 2012.

Revenues in the Concession-type Infrastructures activity, which primarily includes electricity generation and transmission, increased by 39% to €427 million, with an EBITDA margin of 70%. This increase was due mainly to its solar-thermal business in Spain and Algeria; its desalination plant in Algeria; and from new transmission lines in Brasil.

Lastly, the Industrial Production activity, which includes the industrial recycling and bioenergy businesses, increased its revenues by 39% to €3,136 million. This increase was driven by an increase in the volume of production in the bioenergy division, and an increase in the volumes and margins of the industrial recycling business. EBITDA margin for this business was down to 12 % in 2011 from 15 % in 2010, mainly due to volatility in crush spread margins in the year.

Details from the Results Presentation Conference

The CEO, Manuel Sánchez Ortega, and the Head of Investor Relations and reporting, Bárbara Zubiría Furest, will hold a conference today to present the results, which will be simultaneously broadcast via the internet at 6.00 pm (Madrid time), 5.00 pm (London time) and 12.00 pm (New York time).

To access the conference please dial +34 91 788 93 03. The conference can be followed live via Abengoa's website. We recommend accessing the website at least 15 minutes prior to the start of the conference to be able to register and download the audio software required to listen.

A recording of the conference will be available on Abengoa investors' webpage approximately two hours after the conference has finished.

About Abengoa

Abengoa (MCE: ABG) is an international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, generating electricity from the sun, producing biofuels, desalinating sea water and recycling industrial waste. (www.abengoa.com)

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Forward-looking statements

This press release contains forward-looking statements, which may be preceded by words such as "believe", "expect", "possibility", "anticipate", "plan", "intentions", "assumption" or similar expressions, and includes statements relating to our forecasts for the 2012 fiscal year.

This declaration of intentions reflects current business expectations as at the date of this press release, and implies certain risks and uncertainties. Abengoa's real results may differ significantly from those anticipated in these forward-looking statements due to numerous factors.

Abengoa does not intend, nor does it assume any obligation, to update or revise its forecasts in this press release following its publication date.

Due to the aforementioned risks and uncertainties, and the possibility that the real results may change due to variations in the assumptions on which certain forecasts are based, investors must bear in mind that the results, events or developments disclosed in any forecast in this press release, may not occur, and that the real results may significantly vary from those outlined in this document, including those described as "forecasted, expected, set, planned" or similar.